

# 2006 Rhode Island Small Business Person of the Year

**Kathleen Jennings**

**President**

**Blue Sky Spaworks & Gallery, Inc.**

**Warwick, Rhode Island**

Nine years ago, Kathleen Jennings purchased an existing 2,000 square foot salon business in Warwick, Rhode Island that fulfilled her dream of creating an all-natural, full-service spa in the area. Today, Blue Sky Spaworks & Gallery is very successful and offers a wide range of beauty services including hair styling, natural nail manicures, pedicures, facials, massage and various body treatments. The company also features works from local artists on the walls of the salon.

Kathy has experienced double-digit growth from the first year of operation. She attributes Blue Sky's success to the commitment of her team of professionals who make their clients look and feel their best.

The Blue Sky Spaworks & Gallery mission is to be an environmentally and socially responsible business. The company only uses products that are derived from pure, distilled plant and flower essences that are never tested on animals.

Blue Sky was the first salon in Rhode Island to offer a European spa service featuring a seven jet Vichy water massage system. This year Blue Sky plans to introduce the Hawaiian Lomi Lomi massage. Kathy recently sent her massage director to Hawaii for training.

Jennings inherited six employees from the previous business owner and hired one new employee when she purchased the business in 1997. The steady growth of her business has necessitated the hiring of more employees each year. Today, thanks to a \$308,000 SBA-backed loan from Bank Rhode Island, Blue Sky Spaworks has relocated to a 4,800 square foot building adjacent to a major shopping mall providing better traffic flow and more visibility. She now has 35 employees. In a business known for a high employee turnover rate, Blue Sky has four employees who have been with the company since 1997, and five who have been employed there at least five years.

Attaining success was not without adversity. Soon after opening Blue Sky Spaworks, Kathy realized that she would need more space. Her landlord refused a request to expand into an adjacent store. Thus began her quest to find the right location. Following more than one year of searching and broken promises, Kathy found her present location. She had to outbid another business to obtain the lease at the new location. Kathy had to deal with many obstacles as she started construction on the new space.

The city misplaced the blueprints needed to obtain the necessary building permits causing a four week delay. She also had to deal with labor and materials shortages with her contractors and sub-contractors. Changes in the state fire code caused delays in the approval by the fire inspector for equipment and furniture. She had to pay an additional \$4,200 for the Underwriters Laboratories seal of approval for a custom made five seat pedicure bench. The UL seal was



required by the building inspector and caused an additional two week delay. Multiple cracks in newly poured concrete required patching.

Everyday presented a new challenge and resulted in a \$165,000 construction cost over run that had a serious impact on Blue Spa's bottom line. The project deadline was originally December 2003. She finally moved into the new location in February 2004. Jennings believes had she not spent so much time on site during construction there would have been additional delays in the project's completion.

Jennings also believes in giving back to the community and has demonstrated that commitment by participating in numerous fundraising activities and charitable events. These include donations to disaster relief programs in the wake of the 9/11 terrorist attacks, the tsunami that struck southeast Asia, the hurricanes that struck the Gulf Coast last summer, and the victims and families of the Station Night Club Fire that killed more than 100 people in Rhode Island in 2003. Kathy also held two fund raising events for Breast Cancer Awareness. Blue Sky also regularly donates gift certificates to various non-profit organizations throughout the state of Rhode Island.

Kathy is a member of The Salon Association, an industry group that represents over 3,500 salons and spas nationwide. She also provides assistance to other industry-related entrepreneurs and currently mentors business owners in Rhode Island, Sarasota Springs, NY and Reno, Nevada. In August 2004, Blue Sky Spaworks & Gallery was one of six salon/spas to be recognized with the Aveda Holistic Spa Award in North America.

Prior to opening her own business, Kathy Jennings enjoyed a varied career in sales, airline, beer and wine, and the salon and spa industries.

For her demonstrated success as an entrepreneur and her ability to overcome adversity, the U.S. Small Business Administration is pleased to honor Kathleen Jennings, President of Blue Sky Spaworks and Gallery in Warwick, as the 2006 Rhode Island Small Business Person of the Year.